

HOUSE No. 71

Accompanying the sixth recommendation of the State Treasurer and Receiver General (House, No. 65). Public Service.

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine.

AN ACT RELATIVE TO THE DEFINITION OF REGULAR COMPENSATION.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 1 of Chapter 32 of the General Laws as appearing in the 2004 Official
2 Edition is hereby amended by inserting in line 398 after “forty-five,” the following: “and up to
3 July first, two thousand eight.” Said Section 1 is further amended by inserting after the first
4 paragraph in the definition of “regular compensation” the following:

5 “ “Regular compensation” for compensation received during any period on or after July 1,
6 2008 shall mean exclusively wages received by an employee for services performed in the course
7 of employment for his employer.”

8 SECTION 2. Section 1 of Chapter 32, as appearing is in the 2004 Official Edition, is hereby
9 amended by inserting after the definition of “Veteran” the following:

10 “ “Wages” for purposes of this chapter shall mean the base salary or other base compensation
11 of an employee paid directly to that employee for employment by an employer and shall include
12 amounts paid as educational incentives, amounts paid for length of service, amounts paid as
13 premiums for shift differentials, amounts paid as cost-of-living bonuses or cost-of-living pay
14 adjustments, and evaluated maintenance as provided for in paragraph (c) of subdivision (1) of
15 section twenty-two, all as reflected in any applicable collective bargaining agreement or
16 individual contract for employment.

17 All other forms of compensation not in conformity with the foregoing, including but not
18 limited to, overtime, amounts paid for additional services or for work beyond the normal school
19 year for teachers, commissions, bonuses other than cost-of-living bonuses, amounts derived from
20 any salary enhancements or salary augmentation plans of any kind, temporary or ad hoc payments
21 or increases to base salary, indirect, in-kind or any payments such as for housing, lodging, travel,

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22 retirement benefits, welfare benefits, workers' compensation benefits, the value of non-cash job
23 related accessories and benefits, job-related expense payments, automobile usage, uniform
24 allowances, insurance premiums, dependent care assistance, tuition or any other fringe benefits,
25 payments in kind and all payments in any medium other than cash received by an individual from
26 his employing unit for services rendered to such employing unit, shall not be considered regular
27 compensation for purposes of this Chapter.

28 Wages shall also not include payment in lieu of or for unused vacation or sick leave, or the
29 payment for termination, severance, dismissal, or any amounts paid as premiums for working
30 holidays, except as authorized by law, any amounts paid as early retirement incentives or any
31 other payment made as a result of the employer having knowledge of the member's retirement."